DIE MENSE REGEER
ABANTU BAYALAWULA

!!Khara Hais
MUNICIPALITY

ANNUAL REPORT
2009 - 2010

DIE MENSE REGEER • ABANTU BAYALAWULA • THE PEOPLE GOVERN

We welcome your feedback and invite you to **give us feedback on the content of the annual report. Your views can be hand delivered or posted to:**
The Municipal Manager, //Khara Hais Municipality, Mutual Street, Upington, 8800 or send by email to manager@kharahais.gov.za

Copies of the annual report will be available at the Municipal head office in town, at the libraries and at the LED, Tourism and Resorts office. Please call Mr Stefanus Silwer on (054) 338 7012 on the availability of copies of the annual report.

Mayoral Message

Section 127(2) of the Municipal Finance Management Act (MFMA) states that the Mayor of a municipality must, within seven months after the end of the financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

It therefore gives me great pleasure to present the Annual Report of //Khara Hais Municipality for the period 2009/2010 to all the relevant stakeholders.

We derive our mandate as a local authority from The Constitution of the Republic of South Africa, which clearly spells out the objectives and the mandate of municipalities. Like in any democracy the cornerstone for success is participation and consultation.
The integrated development plan of our municipality is a product of intensive consultation with our local community. We have engaged with all the sectors within our society. It is for this reason that we are confident that all the programs, projects and activities in //Khara Hais were based on the needs and the expectations of our community.

The 2009/2010 financial year was again another challenging year for us. It was challenging because the needs of our people by far exceeds the resources at our disposal to address these needs effectively. However we did our best to deliver the much needed basic and essential services to the community which we serve. //Khara Hais which is the second biggest municipality in the Northern Cape consist of 12 wards. We have a population of approximately 100'920 citizens. The total of households to whom we provided services in this financial year were 20,939 and out of this total 8,200 was registered as indigent. With a limited budget of R389,128,531 we as council could only do what our resources allowed us to do. With a relative high level of unemployment and a relative low tax base it is quite challenging to manage the municipality as a business.

It is also very pleasing to present to all relevant stakeholders as part of this report the unqualified opinion of the Auditor-General on our 2009/2010 annual financial statements. The Municipal Manager and his administration has put in a great effort to move from disclaimer and qualified opinions over the last 14 years to the desirable unqualified opinion of the Auditor-General. Our community can rest assured that their financial contributions to this municipality are well administrated.

I wish to express my appreciation and gratitude to the community of //Khara Hais for their consistent support and cooperation.
Thank you to the Municipal Manager and his team for their service to the Council and the community. To all councillors of //Khara Hais Municipality your diligent efforts and commitment is evident in the way the Council is performing.

Thank you.

COUNCILLOR: G VAN STADEN

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Introduction & Overview

1.1 Preamble by the Municipal Manager

The 2009/10 Annual Report for the //Khara Hais Municipality provides details concerning Council's major priorities for //Khara Hais residents and businesses. It also provides information about the Municipality's financial performance and performance of pre-determined development objectives for 2009/10.

Nearly 750 municipal staff work hard every day to provide the highest possible quality in service and to support Council's important community leadership and governance work to bring about a fair and equitable dispensation for all citizens of the municipality.

From maintaining water and sewer services, repairing and replacing our municipal roads infrastructure, providing public housing, promoting and managing responsible development, diversifying our economy, protecting people and property through law enforcement, fire, emergency event response and rescue services, managing solid waste, caring for our environmental health, building and sustaining critical community partner relationships, providing diverse recreation, culture and sport experiences - our employees make a huge difference in the lives of everyone who lives and works in our municipality.

The pride and dedication our Municipal team brings to their work is always evident. We know that what we do today matters to our community now and in the future. We constantly strive to improve our professionalism, to be better and to be the best that we can be.

All of us at the //Khara Hais Municipality care deeply about our community and quality of life for all of the people we serve. From our commitment to excellence in local government we want to contribute to all sectors of our community and the developmental realities of our nation.

We welcome your feedback and invite you to contact us to let us know what you think.

I wish to extend my sincere gratitude to all individuals who have contributed their support to the Municipality in realising our objectives. Nothing in life is perfect, but I am proud of what we have achieved thus far.

WJB ENGELBRECHT

1.2 INTRODUCING THE ANNUAL REPORT

The Annual Report is a measure of ensuring that there is regular, impartial feedback to stakeholders regarding the progress of the Municipality with the implementation of its vision and mission.

Chapter one of the Annual Report provides an overview of the municipality's geographic profile, its vision, mission as well as some general information about the municipal area.

Chapter two, the municipality's performance for the year is highlighted focusing on services offered, special projects during the year and also the Performance Report.

Chapter three provides an insight into the human resources and organisational management. It focuses on staff profile and employment equity and also benefit disclosure.

Legislative provisions

Municipal Financial Management Act 56 2003, S.121

Municipal Systems Act 32 of 2000, S.46 amended by Act 44 of 2003

Chapter Four of the report provides the audited financial statements and the Auditor-General's report. This chapter reflects the municipality's financial health.

Chapter five provide a summary of the different directorates, their purpose and functions.

The last chapter (six) concludes the report.

This Annual Report reflects on //Khara Hais Municipality for the period 1 July 2009 to 30 June 2010.

1.3 OVERVIEW OF //KHARA HAIS MUNICIPALITY

1.3.1 Geographic Profile

//Khara Hais is the local Authority that serves the community in and around Upington. The Municipality is located in the Northern Cape, in the Siyanda District, the second largest district in the Northern Cape. The municipality occupies a geographical area of approximately 3500 km².

[1]The municipal area of //Khara Hais is situated in the midst of a landscape along the Orange River, characterized by contrasts between semi-desert with sandy plains and wavy hills. The Orange River is the life vein of this Community and on both sides of the river, green cultivated land occurs, forming the largest economic base of this area. The Orange River is further the biggest driving force behind the whole area, causing economic activities in the area over the last two decades to have expanded greatly.

The //Khara Hais municipal area further consists of three sections, namely a ribbon-shaped main town situated along the Gariep River (Upington), a narrow intensive agriculture strip on both sides of the river with various satellite communities in the form of settlements about 15 to 20 kilometres apart, and the rest of the area consisting of extensive stock farms. There is a well-defined business centre for Upington with supplementary individual and residential centres spread out over the rest of the area.

A strong, well-developed recreation-orientated component is to be found on the banks of the Gariep, directly south of the central business district.

Three main traffic routes provide access to other cities such as Cape Town, Johannesburg, Windhoek (Namibia) and Kimberley, together with a rail transport system, ensuring effective linkages within and outside of the region.

1.3.2 Demographics

The //Khara Hais Municipality, which encompasses Upington and neighbouring settlements, has an estimated population of 100 920, ±20939 formal households.
Statistics South Africa (2007) estimated that 79.7 % and 15.7% of households live in formal and informal dwellings respectively.

[1]Source : http://en.wikipedia.org/wiki/Upington,_Northern_Cape

[2]StatsSA Community Survey 2007

1.4 EXECUTIVE SUMMARY

1.4.1 Vision, mission

Vision:

Mission:

"As an authority that delivers Municipal Services to //Khara Hais, we attempt by means of a motivated staff, to develop //Khara Hais increasingly as a pleasant, safe and affordable living and workplace for its residents and a hospitable and relaxed visiting place for its visitors"

1.4.2 Key Performance Areas

Key Performance Area	Description
Spatial Development Framework	Spatial Planning aims to positively shape the way //Khara Hais Municipality develops its space into the future.
Basic Services	The provision of Basic Services through infrastructure and the maintenance thereof.
Local Economic Development	The stimulation, strengthening and improvement of the local economy in order to achieve sustainable growth;
Financial Viability and Financial Management	The promotion and maintenance of a financially viable municipality.
Municipal Institutional development & Transformation	The facilitation and development of sustainable service delivery capacity building in the municipality
Good Governance and Community Participation	The role of ward committees and CDW's to ensure effective public participation.

1.4.3 Governance

Municipal Council

The Municipal Council of //Khara Hais consists of 23 members. Twelve (12) represent wards and the rest are proportional representatives elected to represent political parties on the basis of proportional representation. The ruling party in Council is the ANC.

		ANC
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		ANC
SP May Ward: 10		ANC

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W		ANC
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E Allies Ward: 3		ANC
*		ANC
		ANC
		ANC
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		ANC
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		DA ONE NATION. ONE FUTURE
		DA ONE NATION. ONE FUTURE
		ID Independent Democrats

J Esau Ward: Proportional		Independent Democrats
		Independent Democrats
		Independent Democrats
		COPE CONGRESS OF THE PEOPLE

Mayor

The Mayor is the chairman of the Executive Committee. He performs the duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the municipal council or executive committee.

Executive Committee (EXCO)

The Council established an Executive Committee comprising of 5 members. The Mayor in conjunction with the council decides when and where EXCO meets. It is composed in the following way: *ANC* ***3*** *seats*, *DA* and *ID* ***1*** *seat* each.

ANC
ANC
DA

The Council has Five committees. Members of the Executive Committee are tasked with the responsibility of chairing the supporting committees. These committees meet at least once a month. They have certain delegated powers by which they take decisions on behalf of the Council, and are required to report and make recommendations to Council on matters falling within their spheres of operation.

Committee for Service Delivery & Infrastructural Development
Cllr PJ Brandt – Chairperson
Cllr LA Basson
Cllr LFJ Brand
Cllr JJ Combrinck
Cllr K Makatong
Cllr IISS Selborne

Committee for Local Economic Development
Cllr G van Staden - Chairperson
Cllr LFJ Brand
Cllr K Makatong
Cllr M Plaatjies
Cllr M Pakade
Cllr M Segede

Committee for Corporate Governance
Cllr JL Snyman - Chairperson
Cllr E Allies
Cllr J Esau
Cllr LA Koloi
Cllr M Lings
Cllr G Visagie

Committee for Transformation & Institutional Development
Cllr J Assegaai - Chairperson
Cllr BM Adams
Cllr LFJ Brand
Cllr JJ Combrinck
Cllr SP May
Cllr J Visagie

Committee for Financial Viability
Cllr T Basson - Chairperson
Cllr K de Wee
Cllr M Plaatjies
Cllr FE Snyders
Cllr JL Snyman
Cllr G van Staden

Executive

The administration of //Khara Hais is headed by the Municipal Manager and consists of 4 Departments namely, Corporate Services, Community Services, Infrastructure Development Services and Financial Services

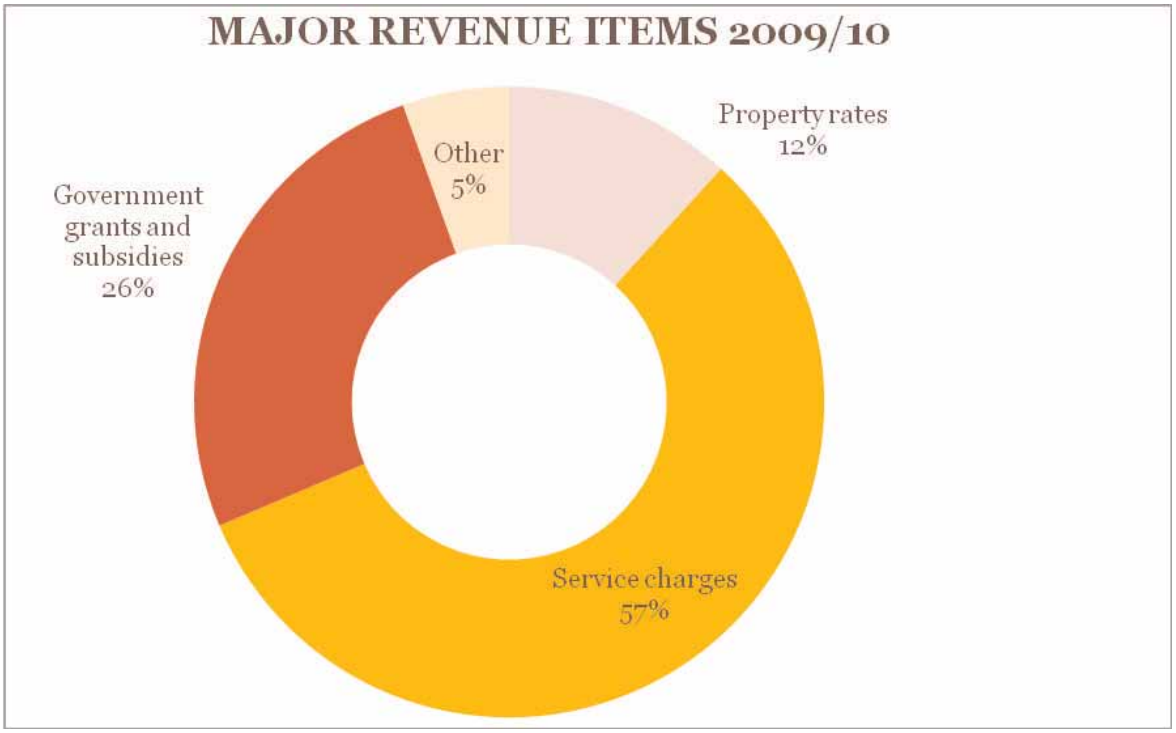
//Khara Hais has a specialised workforce, with a total staff compliment of **788** employees. There are clear communication channels between workers and management. Organisational standing rules and procedures are in place which exercises a stable internal environment.

r

1.4.4 Financial Health

(*Full details in Annual financial statements: See Chapter 4)

//Khara Hais Municipality is in good financial health, after ending with a surplus of R6,7 million for the 2009/10 financial year. The following diagram depicts a breakdown of revenue receipts and expenditure.



Actual 09/10	REVENUE	EXPENDITURE	Actual 09/10

1.4.5 Developments

//Khara Hais Municipality has enormous development opportunities, especially due to agriculture, tourism and its service industries.

Extension Water Treatment Plant

The extension of the plant involves the construction of two sedimentation tanks that are meant to purify water. It supplies water to ***73 000*** people.

Proposed Projects

SMME Village

The creation of a SMME Village was identified which will seek to create solutions for development; the provision of trading infrastructure to enhance social, cultural and economic conditions and to improve the living conditions of all people by broadening their opportunities for economic participation. This Village will consist of trading cubicles, toilets, store area with an open trading area, including entertainment like games, etc.

Driving Range

Golf has been played forever. This project will assist with integration between all age groups, cultures and races.

Shopping Centres

Two applications are currenty under consideration by Council

- proposed Kalahari Mall by Retail Africa and Group 5, at cnr Van Riebeeck Street next to Duineveld High School

- proposed Kgalagadi Mall by McCormick Property Development Company, which are in the process of to sourcing the appropriate land for the development from Transnet

In terms of the Kalahari Mall, the building plans are to be submitted to Council for consideration, as well as the required EIA (Environmental Impact Assessment) in the process of finalisation.

Airport Cargo Hub

The Airport terminal building are fully built and developed.

70 Erven with infrastructure are already developed for use for cargo and industrial.

Application for Industrial Development Zone is already done at the Department of Transport and is the process in the hands of the said Department.

1.4.6 Tourist activities / Attractions

Not only is Upington the main commercial and agricultural centre of the Green Kalahari, but it is also a superb holiday destination with all amenities for the many tourists. The meandering Gariep contributes to a sight surpassing all expectations of an arid and desolate area. The town is centrally located for tourists from Johannesburg to the SANParks, Augrabies Water Fall National Park, Kgalagadi Transfrontier Park, Richtersveld and to Namibia.

Date Palm Avenue Entrance "Die Eiland"
Source : DMP 2007

DIE EILAND holiday Resort

The resort is 9 km away from a lovely 18-hole golf course with grass covered greens which is situated between the red sand dunes of the Kalahari. The resort is the ideal venue for canoeing and studying of different bird species. Date Palm avenue, the entrance to the resort, has a length of 1041m and consists of more than 200 date palms planted 9m apart. This makes it one of the longest and densest palm avenues in the southern hemisphere; planted in 1935; declared national monument 1982.

Spitskop Nature Reserve

The reserve, situated 13km north of Upington, provides sanctuary to more than 10 species of large mammals, including Hartebeest (photo on left), Zebra, Springbok, Camel, Eland and Wildebeest. A telescope at Spitskop enhances game viewing. There are 34km of gravel road, three hiking trails with various distances and picnic facilities.

Desert Palace Hotel & Casino

Desert Palace Hotel & Casino Resort is situated in the Heart of the Kalahari at the Upington Golf Course, 7km from the CBD on the Kuruman, Vryburg, Johannesburg & Golf Course Road (N14).

Desert Palace features a hotel, casino, conference facilities and Restaurants

Kalahari Oranje Museum Complex

Built by Rev. Schroder and his congregation in 1875 as a church and mission station. Domestic items dating from that era and articles relating to the history of Upington and the Lower Orange River can be seen here. The museum is home to the life-sized monument of the donkey, sculptured in bronze by Hennie Potgieter. It symbolizes the unselfish contribution made by the donkey in developing the Lower Orange River Valley during the pioneer days.

Oranjerivier Co-Operative Wine Cellar

The company play a major role in the economy of the town and region and took over the juice concentrate depot from KWV, with an increase in employment.
No job losses occurred in the period under discussion.
Marketing and exports are done to the following international destinations:

- United States of America
- Nigeria
- Netherlands
- Denmark
- China
- United Kingdom

The Grave Of Scotty Smith

"George St Leger Gordon Lennox. Gone but not forgotten. Never will his memory fade". As this inscription on his gravestone predicts, George St Leger Gordon Lennox, alias Scotty Smith, will live forever. Legend has it that he was the Robin Hood of the region. Scotty Smith died in Upington during the 1918 flu epidemic and was buried in the local cemetery.

Oasis Development Centre & Donkey Cart Drives

The main aim of this centre is to secure opportunities for persons with disabilities. The life skills learned will enable them to be self sufficient.

1.4.7 Prioritised areas of potential in //Khara Hais

As Identified in IDP 2009 Review

- Tourism, i.e. eco-tourism, agri-tourism & community tourism along the river
- Existing infrastructure, i.e. basic services and roads
- Youth i.e. economically, socially
- Agriculture, i.e. emerging farmers, cultivation of other crops, existing cultivation
- Apprenticeship & existing skills
- Churches and social organizations
- Informal business
- Industrial, i.e. manufacturing
- Airport, i.e. in and export accessibility

1.4.8 Future considerations

The following challenges and priorities face the Municipality:

- The necessary budgeted funds to continue with the water leakages project.
- The continued installation of pre-paid electricity meters.
- The building of additional raw water storage dams.
- The improvement of the bulk electricity supply system.
- To keep the necessary infrastructure maintained and in a good condition.
- To eradicate the high levels of unemployment by creating jobs through local economic development.
- To give the poor greater access to services.

2. Performance Highlights

2.1 MUNICIPAL FUNCTIONS & SERVICES

A full range of municipal services are provided by the municipality, through the various departments. Services per department are the following:

//KHARA HAIS MUNICIPALITY: DEPARTMENTAL FUNCTIONS 2009/2010	
Office of the Municipal Manager	
Municipal Manager	Corporate administration establishment, corporate Council advise, corporate financial management and control, corporate intergovernmental Relations, Council secretarial support, corporate legislative framework
Internal Audit	Internal Audit Function, review controls, administers support to Audit Committee.
Risk Management	Development of a Risk Management Framework
Communications and Client Service	Communications: Establish and maintain communication activities, including a communication strategy, liaison and forums, annual monitoring and reporting, development of a municipal website, and press releases Client Service: Development of a Client Service Plan, attending to client queries and complaints, and conducting client satisfaction surveys
Office of the Mayor and Speaker	Councillor Support: Schedule development, public participation, ward administration, capacity building, conducting Imbizo's, and administration of Councillor allowances Special Programmes: Management of special programmes, i.e. HIV/AIDS, Disability, Youth Programmes
LED/ Tourism and Resorts	Local Economic Development: Develop, review and update LED strategy Reporting, Job creation, Business development LED framework development and review, Policy guidance to council and community, execute LED Technical support programme Tourism Provide a Tourism Forum Support function Marketing, Information Help desk Manage holiday resort

IDP	Annual development of IDP Process Plan Monitoring and Evaluation (IDP) Operational monitoring and evaluation Reporting Managing SDBIP process Annual report Policy Guidance Review [IDP] Sectoral Awareness Campaigns (IDP)
Performance Management	Establish, guide and control performance measurement, monitor, review and reporting
Corporate Services	
Corporate Services Office	Occupational Health & Safety Programme Municipal HR Establishment Manage department's performance management framework Establish and manage of Council's Employment Equity Plan Manage corporate services personnel Control IDP projects assigned to department Operational establishment and management of Administration Services Human Resources Function Operational establishment and management of Information Technology Services Security Services Function
Administration Services	Archiving and registry Committee secretarial support Auxiliary Services Legal Services Sale and disposal of municipal land By-laws Contract Management Legal Actions
Human Resources	Occupational Health & Safety Programme Skills Development

Information Technology	License administration Support Services Policy Guidance (IT) Procurement of IT
	Community Services
Emergency Services	Coordinate disaster management plan function Fire Training Fire Fighting Fire Prevention Fire Administration Fire Fleet management Management of fire services
Security Services	Safeguard Council property Access control of Main Municipal Building By-law enforcement Crime Prevention Alarm response Cash in Transit
Traffic Services	Law enforcement Fine administration Drivers card licensing Roadworthy testing Vehicle registration and licensing Traffic awareness /Management of traffic services
Library Services	Acquisition of library material and equipment Community information service Maintain library facilities Provision of study facilities Management of municipal library services Outreach and development programme

Environmental Health Services	Manage environmental health Manage programme / Operational Primary health care services Cleansing / Waste services Clean Environment Disease Prevention Good Quality Air Hazardous Substances Safe Food, Safe Sanitation Safe waste disposal programme Safe Water
Cleansing	Cleaning Waste minimization Dumping site Refuse removal
Primary Health Care Services	Provide primary health care clinic services
Infrastructure Development Services	
Electrical Services	Metering of Electrical Usage Maintenance of networks including streetlights and high masts Distribution of Electricity Management of electrical services
Civil Engineering Services	Management of civil engineering services
Roads	Road maintenance Road lines and signage Road construction Traffic Calming through the Construction of Speed Humps
Storm water	Storm water maintenance
Water Distribution	Water reticulation

Sewerage Maintenance	Sewerage reticulation
Building Construction	Minor building construction / upgrades
Fleet Management and Workshops	Fleet management Management of fleet management services Workshops
Civil Engineering - Water and Parks	Management of civil engineering services - water & parks
Parks and Recreation	Cemeteries Horticulturists Recreation Sportsgrounds Swimming pools Civic centre and community halls
Water Works	Water provision
Sewerage Works	Sewerage Tanker Removal Bucket system Sewerage works - (oxidation dams) Sewerage works
Town Planning & Building Control	Management of town planning and building control services
Town Planning	Geographic Information System (GIS) Land use management Property planning Spatial planning

Building Control	Building inspections Building plans
Housing Service	The Provision of Housing Housing database Maintain application list Representations to Department of Housing Contract management Transfer management
Financial Services	
Billing	Billing Management Prepaid Water & Electricity Municipal Property Valuation Roll
Debt Collection, Credit Control and Indigent Household Management	Debt collection & Credit Control Indigent Household Management
Budget and Treasury	Budgeting Annual Reporting
Assets Management	Asset management ,Insurance of Assets Borrowing Management, Policies & By-laws
Cash flow Management	Cash Management
Expenditure Management	Creditors Administration Payroll Administration
Supply Chain Management	Supply chain management process Supply chain vendor database
Stores Management	Stores

2.2 SERVICE HIGHLIGHTS

2.2.1 Solid Waste Management

95% of all households have access to refuse removal.
The 5% could however be granted access if required.

2.2.2 Roads

All citizens have road access to and from their households.

2.2.3 Community Facilities

Health services are provides through five permanent clinics, and 4 mobile/satellite clinics serve the outlying areas.

2.2.4 Indigent Households

Any household, earning less than two times State Pension fund (2 x R 1,010.00 = R2,020.00), qualifies to be registered as indigent.

Indigent subsidy varies per households. They are subsidised as follows: Ten (10) kiloliters of water and 50 KwH electricity; Refuse removal and Sewerage is fully subsidised.

2.2.5 Special Projects and highlights during the year

Siyabonga Vegetable Garden

The Siyabonga Vegetable Garden Project was established in 2001, with the aim to alleviate poverty and creating jobs for the vulnerable. This project was funded by the then Local Economic Development Fund (LEDF) to an amount of R1.5million.

Car Wash Facilities

The municipality through its incentive policy supports the establishments of different carwashes in the municipal boundaries. The support includes free connection of water and electricity, renting of fully serviced plots at a minimal fee.

Business week

The annual business week plays an important role to salvage support and opening business opportunity, be it business or leisure. Amongst the stakeholders are: MEC's, politicians, banks, government departments, business groups and organizations, and especially entrepreneurs and SMME's. This year's business week took place from 24 27 May 2010.

Mandela Day

Clean-up operations as part of the Mandela day celebrations

Batho Pele learning network

All employees of the Municipality participated in the Batho Pele workshops

Imbizo

The Imbizo started on the 17 until the 26 of November 2009.The Municipality had a dedicated team of staff members who participated in the Imbiza. The Imbizo included meetings with stakeholders, door to door campaigns and community meetings.
The imbizo was also joined by staff from the Department of Welfare, SASSA, Home Affairs, SAPS and Education.The Commission of Land Restitution sent representatives from Kimberley to join.

Soccer development league

A soccer development league was established in association with Soccer Management.